

October 26, 1999

RE: United States v.

Frederick C. Brandau

Garland Hogan

Mary Anne Billinghamurst

Financial Federated Title & Trust, Inc.

Asset Security Corporation

Gary J. Pierce

CSI AG, LTD.

99-8125-CR-Hurley

Dear Investor/Victim:

This letter is to bring you up to date regarding the status of the prosecution of the above listed individuals and companies. The United States District Court held a status conference on October 21, 1999, to determine when to schedule a trial of the above matter. As a result of that hearing the Court tentatively scheduled the trial to occur during December 1999. There are many cases on the schedule which must be tried prior to reaching this case, and several of the defendants have not formally entered their pleas before the court so the matter may not be tried during December 1999, therefore we will continue to inform you regarding the status of the case.

Many people have contacted this office for additional information regarding this case and their money. While we understand your frustration in not reaching a human voice, and particularly your desire to speak to one of the attorneys assigned to handle the case, we are unable to change the manner in which we communicate with you. There

are more than 3,000 people affected by this matter and consequently the attorneys assigned must rely upon the services of the victim/witness unit coordinators to communicate with you so the attorneys may go about the business of preparing for trial of the case. We will, from time to time, communicate with you by mail, and will update the internet site as time and information permit. We will continue to post case developments on our office's page at the Department of Justice website, which can be found at www.usdoj.gov/usao/fls/. Please go to the page dedicated to victim/witness and you will find internet access to information about this case at the bottom of that page.

You are entitled to understand what is happening in any case in which you are involved. If you have questions, you may continue to call the Office of the United States Attorney, Victim Witness Unit at toll free number 1-800-379-4643.

Some of you have indicated that you received written and oral communications about your investments from various people, including attorneys, involved in this investment scheme; and some of you have sent us copies of letters you received or written descriptions of telephone conversations. We would like to know if investors have received the same kind of communications, that is letters or telephone conversations you had with attorneys [affiliated with Financial Federated or American Benefits Services] related to this matter which occurred between January 1, 1996 and August 30, 1999. We are also interested in learning if any of you have written records or notes of conversations concerning personal communications with any of the following persons between January 1, 1996 and August 30, 1999 on the subject of your viatical investment: Raphael ('Ray') Levy, Alan ('Al') Lewis, and Jeffrey Paine.

Some investors received communications about the stability of the investment related to your retirement account money. These communications probably occurred between January 1, 1999, and August 30, 1999. We would like to know more about communications related to retirement accounts. Please do not send us copies of letters sent by Financial Federated and signed by Reginald Darbonne or letters sent by CSI Ag and signed by Gary J. Pierce, since we are aware that most, if not all of you, received those letters. Please forward the requested information, in writing by mail or e-mail, to this office.

Attached to this letter is a document entitled "Frequently Asked Questions." We hope this will answer some of your questions about what to expect as a result of this case.

Thank you for your cooperation.

Very truly yours,

THOMAS E. SCOTT

UNITED STATES ATTORNEY

BY:

ELLEN L. COHEN

ASSISTANT UNITED STATES ATTORNEY

Enclosure